

RUIDOSO DOWNS CITY COUNCIL SPECIAL JOINT MEETING OF THE CITY OF RUIDOSO DOWNS GOVERNING BODY; THE LINCOLN COUNTY COMMISSIONERS, GOVERNING BODY OF THE VILLAGE OF CORONA, GOVERNING BODY OF THE TOWN OF CARRIZOZO, GOVERNING BODY OF THE VILLAGE OF CAPITAN AND GREENTREE SOLID WASTE AUTHORITY'S BOARD OF DIRECTORS.

THURSDAY, MAY 21, 2015

6:00 P.M.

CARRIZOZO SCHOOLS - MULTI-PURPOSE ROOM, 800 D. AVENUE,  
CARRIZOZO, NEW MEXICO

The Council of the City of Ruidoso Downs met in a Special Joint Meeting on May 21, 2015. Mayor Williams called the meeting to order at 6:00 p.m. Mayor Williams asked Carol Virden, City Clerk/Treasurer to take roll call. The following were present:

Councilor Miller

Councilor Morales

Carol Virden, City Clerk/Treasurer informed Mayor Williams there was a quorum.

Not present: Councilor Perry and Councilor Ritter

Also present: H. John Underwood, City Attorney

APPROVAL OF AGENDA

Mayor Williams stated the next item on the agenda was Approval of Agenda.

Councilor Miller moved to approve the agenda. Seconded by Councilor Morales. Motion passed.

DISCUSSION OF SOLID WASTE AND RECYCLING SERVICES - Provided to All Lincoln County Residents Including Municipalities

- Illegal dumping and the costs
- Special clean-up events
- Yard waste programs
- Other ongoing matters

Introductions were made by each person. (See attachment of list of those present)

Joe Lewandowski gave some background information of himself and said what we're doing tonight is not about the County or Greentree or anything like that it's more about the relationship as a whole that I want to talk about. We probably could have done this years' ago. I want to talk about some of the things that have occurred. The presentation matches your handouts. Greentree used to be Lincoln County Solid Waste and it started way back in the 90's what happened was the rates changed. Original members are all the same ones that are still there. Ruidoso is only in on the landfill and recycling now. They do their own hauling. That's what our concern is as to how it is done. So then we joined up with Otero Solid Waste Authority. When I was the manager here we joined up and made it a joint landfill. It's owned by the two solid waste authorities but then you own it through the association through the group. Over the last twenty-three years you have these three documents. In this slideshow you try to compare yourself across the board and you can't do that. He said it shows how the revenues break down for everybody. The primary sources of revenues for Greentree are residential fees, commercial fees, other collection fees such as roll off fees and special collection fees and services and then recycling revenues.

H. John Underwood asked who would be your miscellaneous revenues?

Joe said is the SGRT and also the rent of \$15,000 a year on that piece of property and things like that. What we did for ourselves as a county is to dissect every number. All of this was about a train wreck about to happen anyway because of documents and nobody went back to research. This is also about the Little Bear Fire in that we lost about three hundred homes too. That was 25% of the county billing. Expenses went down but some things are fixed costs. The landfill went down and some of the fuel went down but overall there are still many things that are still there. The truck and insurance on the truck and maintenance on the truck.

H. John Underwood asked if he was going to explain what the federal contracts are and what the collection fees are?

Joe said I wasn't going to go into detail about that because there is a lot of information tonight.

Debra Ingle said federal contracts would be U.S. Forest Service, Mescalero, BIA and the state contracts are with the State of New Mexico and NMDOT.

H. John Underwood asked if all those would be Lincoln and Otero counties?

Debra said yes it would be Lincoln and Otero counties.

Joe said right here it shows the County in a deficit. I want to make sure everyone in the room understands you're not funding the County. There are problems in the budget over there but it's being funded with all these additional revenues. It's never done that. When I went to Ruidoso Downs that was the first question. We're right next door to the Greentree Transfer Station but we're paying almost the same price as Carrizozo and Capitan who are miles away. Ruidoso Downs pays \$22.10 and Capitan \$21.70 and Carrizozo pays \$21.59. He made reference that everything in the pink blocks is what Greentree Solid Waste does for everybody and in the green blocks is what you do for yourself. You have to look at what's going on because at one point we were doing everything for the County. They are doing their own billing now. Ruidoso Downs is doing residential billing and they handle their own illegal dumping. That's why you will see the price difference between yourselves. On page four there is a little chart there. Recycling in Lincoln County has always been good. Back in 1993 we started and then everyone across the state started copying us. This recycling operation here is netting almost \$99,000.00 and it goes to pay for all these other things we've been talking about. Last year Greentree recycled 2,212 tons. The brought in a couple hundred thousand bucks in revenue but they also saved almost \$32,000 in landfill fees and you save almost \$30,000 in transportation costs. Recycling isn't worth \$200,000 it's worth \$260,000 to you and that's why it's important to do it.

H. John Underwood asked to what do you attribute the success of the recycling program in Lincoln County as opposed to anywhere else in the state?

Joe said it's mainly because the volumes and participation. People have taken it on through volunteers and such. Santa Fe purchased the high tech items in their facility for three million dollars and then closed it down. Lincoln has never done that. We've taken basic and common sense operations and it's good business sense. What we have is very efficient. The rates on recycling are doing very well.

H. John Underwood said so you are saying it's basically participation and low cost?

Joe said yes. It has been a part of the operation almost from the beginning and the reason why it works is because you've all worked together. Greentree is laid out like a factory and is efficient. Each person is multi-use.

Joe said illegal dumping is one of the biggest problems and there are fifty-seven locations in the county where it is abused. Last year from July through June there were 2,741 cubic yards collected and that was an estimated cleanup cost of \$145,000 with landfill and disposal fees. Every county has the same problem. This pretty much has it under control because of the stations and dumpsters that are around. Most of the stuff you are getting is couches, chairs, and construction debris and we're still looking for those people. There was even a program started through Crime Stoppers. Even though it is occurring in the county it's not because of the county. Illegal dumping flows two ways. In your towns are people coming in with a few bags unloading into the dumpsters. In the county you have all the

construction materials and chairs and couches. Some of these places are very isolated and those people can get by with it. It's hard to prosecute these days.

Joe said the finance book breaks down everything for Greentree regarding budget, liens, revenues, fees, comparisons, etc. and members have a copy of this book. When we did the rate analysis it shows each one of you and whether you're making or losing. Ruidoso Downs is netting \$52,000 a year. Our DFA reserve is 12% and then the Finance Authority requires us to charge 130% on the debt service requirement even though we only need 100% to make the payment they require the 130%. That's not factored into any of the numbers. I want to ensure you that we are not billing you to offset the county costs. We have talked about a rate for a 'per ton' cost also and he started to explain some of the breakdowns for the service.

H. John Underwood asked if this reflects that you are losing \$450,000 a year serving the County?

Joe said that's basically what it shows there.

H. John Underwood asked then why do you want to serve them?

Joe said we want them to succeed and if you're asking why we filed an injunction to stop them from withdrawing, at the time it was the way they withdraw. We don't care if they withdraw. Just like Ruidoso when they withdrew. This goes back to some of those documents and it wasn't done the way it was written.

H. John Underwood asked are you arguing over a matter of principal rather than a matter of economics?

Joe said I'm all about the money. What it's about is when the withdrawal occurs it has to be done in an organized fashion like Ruidoso did. Ruidoso didn't really withdraw they just changed their relationship. Our issue with the County is if they want to go that's fine but we have to do it in a way that will cause no harm to anyone else. As of December 2014 there is a substantial amount owed from the County and the County needs to back us when we go to collect those accounts for non-payment. The problem dates back to these documents and it was where people could just walk away from the agreements. With Alto leaving with about eleven hundred accounts Greentree has incurred debt and that was about 25% of the revenues.

Joe said the \$60,000 in legal fees is coming out of the other revenue sources.

#### ADJOURNMENT

There being no further business to attend to Councilor Morales moved to adjourn at 7:41 p.m. Seconded by Councilor Miller.

*Gary L. Williams*  
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Gary L Williams, Mayor



*Carol Virden*  
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Carol Virden, City Clerk/Treasurer